



Testimony of the Michigan Chamber of Commerce
Before the House Commerce Committee
Tuesday, February 8, 2011
Presented by
Tricia Kinley, Sr. Director of Tax & Regulatory Reform

Thank you for the opportunity to provide comments regarding repeal of Michigan's item pricing statute, and House Bill 4158 to implement the "Shopping Reform and Modernization Act." The Michigan Chamber is a state-wide business advocacy organization of approximately 6,600 members including local chambers, local trade associations and small, medium and large employers who range from retailers to wholesalers, to manufacturers, service providers, builders, utilities and everything in between. We have over 500 retailers in our membership.

Last week you heard some good testimony already describing various requirements associated with Michigan's current item pricing law, as well as the wide variety of the new technologies available for displaying price to consumers. I am not here to repeat or "out-grocer" the grocers or retailers on these points...but simply to share with you –from the Michigan Chamber's perspective – why this issue is important to our organization.

First, as you can imagine – this issue is very important to our members in the retail community. Many of these job-providers are small or medium-sized home-grown companies, while others are large employers in their communities. Simply put for all of them: the current law unnecessarily adds to the cost of doing business in Michigan. Michigan can no longer afford to place time-consuming and burdensome requirements on any job provider without running the risk of forcing more companies to downsize or relocate outside of Michigan.

We understand that for many people change is hard, and we are sensitive to this. That's why we believe that the consumer protections and safeguards that have been built into HB 4158 are imperative. However, we can't help but point out the irony that shoppers at Michigan's wholesale stores like COSTCO and Sam's Club are successfully checking out every day *without* individual stickers. Clearly, these customers are adapting. At the Michigan Chamber we are 100% confident that the rest of our residents have the ability and intellect to figure out how to shop within a modern retail environment...just as the residents of 49 other states do.

But I also cannot stress enough the bigger picture as we see it: the topic of over-regulation in Michigan in general. We are thankful that Governor Snyder, and Representative Posthumus-Lyons have recognized what so many of our members have experienced: that Michigan's item pricing requirement is simply one example of a laundry list of areas where Michigan is out of step with the rest of the country, and in need of immediate reform.

Whether it is our burdensome and horribly complicated Michigan Business Tax, onerous California-style ergonomics regulations, or excessive and unpredictable environmental permitting policies – we feel it is long-overdue that we modify Michigan policies to be more reasonable and workable, and in a way that makes it easier, not more difficult, to create jobs.

We are positive that you can do this...while still maintaining the protections that our residents expect and deserve.

HB 4158 is a great first opportunity to make Michigan more competitive and business friendly. We encourage you to support this legislation.